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Pakistan's Roosevelt Hotel Sale Faces New 18-Month Delay.

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The planned sale of Pakistan's Roosevelt Hotel in Manhattan has hit another major setback after the global real estate consultancy advising the transaction unexpectedly withdrew from the process. The exit of the financial adviser has pushed the timeline for any deal back by at least 18 months, adding to the challenges in one of Pakistan's most high-profile privatisation cases.

Officials warn that the delay could cost the national treasury more than $50 million. This figure includes debt servicing and operational maintenance, even though the historic

Midtown Manhattan property remains largely unused.

Debt Pressure Mounts

The Roosevelt Hotel, a landmark building now mostly dormant, is owned by Pakistan International Airlines (PIA). In 2020, it was used as collateral for a $142 million loan from a private lender. With no adviser currently in place, due diligence, investor engagement, and valuation work have stalled. The Privatisation Commission has yet to announce when it will restart the process of selecting a new adviser.

Strategic Value in Prime Location

Former interim privatisation minister Fawad Hassan Fawad highlighted the strategic importance of the asset. “This is prime New York real estate,” he said, stressing that any sale should be handled with transparency and foresight. He also recalled earlier discussions about developing a 1.6 million-square-foot project on the site—an idea that could still be considered by future investors.

Impact on National Finances

The setback comes at a difficult time for Pakistan's economy, already burdened by debt and the financial troubles of its national carrier. Each month of inaction not only increases maintenance costs but also risks weakening investor confidence in the government's privatisation program.

For now, the Roosevelt Hotel remains in limbo, generating little income while incurring significant expenses. Observers note that while patience may yield a better deal in the long term, the current delay is a costly pause in a transaction critical to reducing PIA's debt burden and easing fiscal pressure on the government.